

February 8, 2023

**BY E-FILE AND EMAIL**

The Honorable Sean H. Lane  
United States Bankruptcy Court  
Southern District of New York  
300 Quarropas Street  
White Plains, NY 10601-4140

**Re: *In re 85 Flatbush RHO Mezz LLC, et al.*, Case No. 20-23280 (SHL)**

Dear Judge Lane,

We write in response to the letter filed earlier today by counsel to the Mezzanine Lender, Docket No. 391. TH Holdco does not want to burden the Court with a letter writing campaign. But TH Holdco objects to the Mezzanine Lender's attempt to relitigate their objection to the Motion, and would like to clarify certain points.

First, the information the Mezzanine Lender seeks presumably relates to the Debtors' lease with Exodus Transitional Community, Inc.<sup>1</sup> We directed the Mezzanine Lender's counsel to this information by email on January 30, 2023. This information is publicly filed in the Declaration of Franco Famularo filed in support of the Motion, at Docket No. 371, which provides that the Debtors received approximately \$515,000 a month from the Exodus lease.

Second, the amount of the lease payments are either (i) irrelevant to the calculation of TH Holdco's damages, as all such payments were made **directly to the Debtors** prior to TH Holdco's November 9, 2022 closing on the property, or (ii) prove that TH Holdco would have received payments on the hotel property in at least that amount had the stay not been granted. Either way, the fact remains that the Debtors turned over a mere \$6,150 in cash to TH Holdco at closing.

TH Holdco has established several categories of damages which total well in excess of the \$5 million available under the bond. Should the Court rule in TH Holdco's favor on the issue of post-petition interest alone, there would be no need to address the issue of lost profits on the hotel property. As such, TH Holdco respectfully reiterates its requests for the Court to issue a ruling on the Motion.

Very truly yours,



Lauren Macksoud

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<sup>1</sup> Exodus is an organization that assists individuals recently released from prison. The property has not been used as a homeless shelter since 2021.